

## Book Review

***The Economics of Enough: How to Run the Economy as if Future Matters*, 1<sup>st</sup> edition. By Diane Coyle. Princeton University Press, New Jersey. 2011. ISBN 978-0-691-14518-1. 346 pp. Hardcover, \$24.95.**

*Masood Ahmed*

There are enough challenges that organizations and societies face today in the wake of environmental, economic and socio-political crises that have jolted the world during last few decades. In this context, the book under review, *Economics of Enough: How to Run the Economy as if Future Matters*, may be designated as one of the treatise in response to a call for reforms in the market-driven capitalism following not only financial but environmental, social and political predicaments that tend to mar our collective future.

The author of the book, Diane Coyle, is PhD in Economics from Harvard University and an economic consultant specializing in new technologies and globalization. Her book emphasizes upon that future needs to be taken into consideration while making decisions for the organizations in societies today. The main idea revolves around that "how can we ensure that we leave enough economic, environmental and societal legacy for future generations? The book also deals with the problems of unsustainability in the developed world and also sheds light on the issues of sustainability in the developing world.

The book is divided into three parts comprising 9 chapters. The chapters cover an array of challenges and obstacles facing the governments from the goals of policies to the reforms in social institutions that require change in order. The chapters discuss the challenges posed by the four dimensions of unsustainability: depletion of natural resources; vast borrowing from posterity; increase in inequality; the collapse of the trust. Also, Coyle has placed the concepts of fairness and enhancing social capital as vital for economics of enough in order to save future.

In order to deal with the challenge of sustainability, Coyle believes social welfare is the appropriate goal of government policy. However, social welfare encompasses material wealth such as physical security, rule of law, quality of the environment and the civility of everyday life. She dismisses happiness as too narrow a concept to assess social welfare. In her opinion, neither wealth nor happiness is enough for a healthy society hence the debate between happiness versus growth is meaningless.

Focusing on the challenge of climate change that many scientists have argued is the result of rampant use of natural resources, the author points out to the dilemma of achieving economic growth without affecting the climate adversely. She recommends that the way out of the dilemma is to time duration when taking decisions to consume natural resources. What is required is the focus on the measurement of wealth, both natural and financial. Such a change in focus will ensure a positive impact of the decisions in the long-term. Elaborating on another dimension of unsustainability, the author has warned that the enormous public debt acquired, especially in the wake of financial crises and also to sustain the pension and health care system of the elderly in the West have put the financial freedom of the coming generation at stake. Not only Western governments have been borrowing from their own

citizens but also from foreigners in poor countries. Hence the prospects that the future generations will enjoy are bleak.

After climate change and debt burden, the book covers fairness as an aspect of sustainability which is related with the income inequality pervasive within countries as well as globally. Inequality goes against the human instinct of fairness that has been proven by psychological experiments, evolutionary psychology and primatology. A society that does not cater to its members' sense of fairness is unsustainable as it erodes the social capital which is vital for economic growth. Coyle describes social capital as trust that is essential and fundamental for the long-term sustainability of any society.

With such daunting challenges facing the global economy Coyle has identified three major areas where reforms are required: statistics, markets and public institutions. The current use of statistics that measure national growth must be reformed. She recommends measurement of comprehensive wealth, including social and human capital that will help governments formulate policy around a long-term horizon. Furthermore, she disapproves the idea that markets and state are opposite to each other. She highlights the symbiotic relationship that exists between state and markets. Markets operate under rules and laws set by the government therefore the challenge is to ensure that markets embody the values that matter to societies in which they operate.

Finally, lamenting the fact that public services are being run by self-serving cohorts of influential people with no regard to the interest and welfare of general public, Coyle exhorts the need to build new institutions and economic rules that have a long-term focus during policy making. Bringing reforms of such a large scale across wide range of social institutions requires a paradigm shift in the way economies are run. Coyle has put her hope on the ingenuity of human beings to adapt to change. She calls for changes in attitude and behavior from both individuals and businesses for bringing social change. Individuals must save in order to invest in future and businesses must invest for the long term. The fact that future matters and individual choices affect people must be acknowledged. Indeed how to bring about sea change in our behavior and attitude that makes patience and mutuality as the most cherished values of our society will be the greatest challenge for policy makers.

Finally, for achieving "economics of enough" Coyle recommends, "We need to internalize a sense of responsibility to other, including those not yet born, in order to restore the moral fiber that is needed for market capitalism to deliver social well-being." And the success in this goal lies in education. The youngsters must be equipped with a sense of tolerance, empathy, co-existence, harmony, mutuality and safeguarding sustainability.

## Book Review

***The Art and Science of Leadership*, 6<sup>th</sup> ed  
Inc. Publishing as Prentice Hall, US  
Hardcover, \$161.80.**

*Kumail Raza Hemani*

The question, whether leadership is innate or learned, has been discussed all over the world. Some people believe in nature versus nurture. In this context, *The Art and Science of Leadership*, puts forward the argument that leadership is learned. The author, Dr. Navawandi, covers the complex subject of leadership. He refers to it as both an Art and as Science. He also discusses the notion that there is a science of leadership. He believes that effective leadership involves challenges and is not contrary to the belief that leaders are born. He believes that leaders are not only born but also can be nurtured as leadership is not only an art but also a science.

The book is divided into three parts. Part I, *Building Blocks*, revolves around the concept of leadership. The author refers to a leader as someone who influences their followers. The book discusses the importance of leadership and how significant it is to have specific leadership qualities. It also discusses the reasons why leaders are required: among them are that we see leaders as 'romantic ideal', and that they are the only ones who can lead. Furthermore, the author discusses the difference between a manager and a leader. A manager is a leader and vice versa. The book also discusses the qualities of a leader: Leaders are forward thinking, visionaries, and they are not followers but subordinates.

The author further discusses the global context of leadership. He discusses globalization, how do groups and cultures influence leadership, and therefore, the foremost point for a leader is to understand the cultural mindset. The examples of cultures around the world are also discussed to gain a better understanding of leadership. He also discusses how they directly impact upon group and organizational behavior. He also discusses how to understand the cultural mindset to be accepted vertically and horizontally. The book also discusses the management of diversity and leading diverse teams. The author also highlights the gender perspective in leadership. He believes that genders are different when serving in leadership. He also discusses how the world is becoming a global village and how the changes that are working have had an inevitable effect on leadership.